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Services Division

Committee on China

Committee Minutes - 173rd Meeting - 17 June 1958

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D/S Representatives: [REDACTED]

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Guests: [REDACTED] M/FP; [REDACTED] 25X9A8

1. Peking has again advanced the completion date of the Sanmen Gorge project. It now appears that the dam and water detention basin will be completed in 1959 and the hydroelectric station by 1 October 1960. As recently as March 1958 the initial construction plan (1957-1962) was compressed to 5 years and the new revision reduces the construction period to 4 years.

The fact that most of the original dimensions of the project have been expanded and that the construction period has been substantially reduced indicates an increased capability in large-scale water conservancy construction on the part of the Chinese Communists. There is no reason to believe that they will not be able to complete the major subprojects at Sanmen Gorge in the confines of the present plan.

25X1A9a [REDACTED] S/CST.

2. The Ministry of Petroleum Industry announced recently that 500 medium- and small-scale refineries with a total capacity of 1.2 million tons (80 percent of 1957 output) would come under construction in 1958. By the end of 1959 most of these plants - with a capacity of one million tons - will go into production. The Ministry will help local authorities with technical construction and operation details.

3. China's first television station in Peking began tests in May. In addition, the Chinese have announced the successful manufacture of their first television tube. China is expanding its production of all types of electronic components, in particular radio and TV tubes. Indications are that in the near future China will probably export electronic components to other Sino-Soviet Bloc nations.

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4. A Vietnamese newspaper indicates that electric power production in China will reach 74 billion kilowatt-hours in 1962 and 230 billion kilowatt-hours in 1967. As production was only 19 billion kilowatt-hours in 1957, the

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attainment of this new goal would require an average annual increase of 31 percent from 1957-62 and 25 percent from 1962-67. The original plan for 1962 is 44 billion kilowatt-hours and long-range plans indicate a production of about 100 billion kilowatt-hours in 1967. Therefore, the new goals are very much higher than original plans. It seems that a production of this magnitude would be almost impossible to attain in such a short period of time.

25X1A9a [REDACTED] M/TP.

5. The Chinese Communist plan for unified development of the Huai River basin is proceeding; seven reservoirs have been completed and other works are in progress. The Huai project will result in an increased potential for water transportation with very little of the total cost of the project directly chargeable to water transportation. Other projects are underway to improve navigation on the Grand Canal and on the navigable tributaries of the canal leading to the Yellow River. The significance of this new water transportation potential is enhanced by its location in an important "leap forward" agricultural area.

25X1A9a [REDACTED] S/TR.

6. The entire committee discussed the problem of accepting and evaluating Chinese announcements of plans and performance in many sectors of the economy.

7. Attention was called to the showing of a film on highway construction in Tibet on Monday, 23 June at 1400 hours in Building 14.

Agenda: The next meeting will be 1 July in Room 1121 M at 1400. Current items will again be the topic.

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ORR/S/TR [REDACTED] /pmb/2370 (18 June 58)

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